MISSOULA VOCATIONAL TECHNICAL CENTER

AUDITED FINANCIAL STATEMENTS
With Supplemental Material

For the Fiscal Year Ended June 30, 1979

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AUDITED FINANCIAL STATEMENTS
With Supplemental Material

For the Fiscal Year Ended June 30, 1979

JUNKERMIER, CLARK, CAMPANELLA, STEVENS, P.C.
Certified Public Accountants

STATE OF MONTANA

Office of the Legislative Auditor

STATE CAPITOL
HELENA, MONTANA 59601
406/449-3122

MORRIS L. BRUSETT, C.P.A.
LEGISLATIVE AUDITOR

ELLEN FEAVER, C.P.A.
DEPUTY LEGISLATIVE AUDITOR

JOHN W. NORTHEY
STAFF LEGAL COUNSEL

September, 1980

The Legislative Audit Committee
of the Montana State Legislature:

Transmitted herewith is the report on the audit of the Missoula Vocational Technical Center for the year ended June 30, 1979.

The audit was conducted by Junkermier, Clark, Campanella, Stevens, P.C. under a contract between the firm and our office. The comments and recommendations contained in this report represent the views of the firm and not necessarily the Legislative Auditor.

The agency's written response to the report recommendations is included in the back of the audit report.

Respectfully submitted,

Morris L. Brusett

Morris L. Brusett, C.P.A.
Legislative Auditor

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APPOINTIVE AND ADMINISTRATIVE OFFICIALS

MISSOULA COUNTY HIGH SCHOOL

BOARD OF TRUSTEES

Dr. Rueben A. Diettert	Chairman
Mr. Arthur Hightower	Vice Chairman
Mrs. Peggy Ann Eudaily	Secretary
Mrs. Wilma Nicholson	Trustee
Mr. Mervin D. Selle	Trustee
Col. Gordon H. Simmons	Trustee
Mrs. Eleanor Lawry	Trustee

ADMINISTRATIVE OFFICIALS

Mr. George M. Zellick	Superintendent
Mr. Donald Delaney	Assistant Superintendent

MISSOULA VOCATIONAL TECHNICAL CENTER

Mr. Thomas Downey	Directory
Mr. Dennis Lerum	Associate Director
Mr. James C. Taylor	Assistant Director for Instruction

SUMMARY OF RECOMMENDATIONS

The following listing of all recommendations together with a notation as to whether the agency concurs or does not concur has been included as a seperate section of our report to serve as a means of summarizing the recommendations contained in the report and the audited agency's reply thereto and also to serve as a ready reference to the supporting comments. The full replies of the Missoula Vocational-Technical Center are included in the back of this report.

	Page
That the Center correct the aforementioned internal control weaknesses.	5
Agency Reply: Concur. See page 18.	
That the Center develop a comprehensive fixed asset accounting system.	7
Agency Reply: Concur. See page 19.	
That the Center take action to correct the aforementioned inventory problems.	8
Agency Reply: Concur. See page 19.	
That the Center, upon implimentation of the Statewide Budgeting and Accounting System, pay close attention to the treatment of these enterprise funds.	8
Agency Reply: Concur. See page 20.	

COMMENTS

INTRODUCTION

We performed a financial compliance audit of the Missoula Vocational Technical Center for the fiscal year ended June 30, 1979. Our audit was conducted under contract with the Office of the Legislative Auditor.

The Center was last audited by the Montana Department of Community Affairs and the United States General Accounting Office for the two year period from July 1, 1974 to June 30, 1976. Discussion of prior audit recommendations and their disposition follows in a seperate section of our report.

Our audit excluded grants awarded to the Center for College Work Study, Basic Educational Opportunity (BEOG), and Supplemental Educational Opportunity (SEOG). These grants have been audited by others for the two fiscal years ended June 30, 1978 and 1979. Receipts and expenditures for these grants for the fiscal year ended June 30, 1979 are included in the Combined Statement of Changes in Cash Balances under the Student Activity Fund section for information purposes only and were not audited by us.

The Center also received approximately $200,000 in CETA funds which are excluded from the scope of our audit. These funds will be audited seperately under a contract awarded by the Legislative Audit Committee.

GENERAL

In 1969 the State Board of Public Education, through authorization by the State Legislature, created five post-secondary Vocational Technical Centers located in Helena, Billings, Butte, Great Falls, and Missoula.

The Missoula Vocational Technical Center is a unit of the Missoula County High School District. The Center's accreditation was reaffirmed by the

Northwest Association of Secondary and Higher Schools in December, 1979.

The Center, with an instructional staff of approximately 38, served a total of 836 students during the 1978-1979 school year. The Center offers instruction year around with enrollment of approximately 150 during the summer quarter and approximately 430 in the fall, winter, and spring quarters. The following number of students were enrolled in the various programs:

Program	Total Cumulative Enrollment
Accounting/Bookkeeping	111
Business Data Processing	76
Combination Welding	21
Educational Assistant	10
Electromechanical Technology	39
Food Service	35
Forestry Technician	54
Heavy Equipment Maintenance	35
Heavy Equipment Operation	-
Mid-Management	69
Operating Room Technician	33
Practical Nursing	53
Respiratory Therapy Technician	40
Secretarial	226
Small Engine Repair	34
Total	836

PRIOR AUDIT RECOMMENDATIONS

As stated on Page 1, the last audit of the Missoula Vocational Technical Center was performed by the Department of Community Affairs for the fiscal years 1974-1975 and 1975-1976. Their report detailed nine recommendations to improve the Center's accountability and fiscal controls. The Center has implemented or partially implemented five of the recommendations. The four recommendations not implemented are listed in the Department of Community Affairs audit report under the following headings: Accounting System and Basis, Property Management Standards, Inventory Procedures, Funds not on Deposit with

County Treasurer. These areas of concern in the audit of fiscal years 1974-1975 and 1975-1976, continued to be troublesome areas during our audit of fiscal year 1978-1979.

INTERNAL CONTROL

As part of our examination, we made a study and evaluation of the Center's system of interanl control to establish a basis for reliance thereon in determining the nature, timing, and extent of other auditing procedures necessary for expressing an opinion on the financial statements and to assist in planning and performing our examination of the financial records for preparing financial statements and maintaining accountability for assets. The concept of reasonable assurance recognizes that the cost of a system of internal accounting control should not exceed the benefits derived and also recognizes that the evaluation of these factors necessarily requires estimates and judgements by management.

Our study and examination of the Center's system of internal accounting control for the fiscal year 1978-1979 would not necessarily disclose all weaknesses in the system because it was based upon selective tests of accounting records and related data.

Although certain of the following comments have been mentioned in previous reports, no significant changes have been made in these procedures and we feel that continued attention should be directed to these areas.

Segregation of Duties

The Center's bookkeeper records all transactions for the Center's three bank accounts; she processes receipts, makes bank deposits, prepares disbursements, makes all accounting entries, and reconciles the bank statements. Thus, she has accounting and physical control over the Center's cash from the time

it is received until it is expended. Internal control over cash is most effective when these duties are performed by more than one individual.

Deposits

Deposits are infrequent, large, and often include significant amounts of currency. The Center's deposits are not posted to the cash receipts journal and the fund account cards until the end of the month, resulting in poor year-end cut off procedures, misstated cash balance during the entire months, and little or no cash management.

Recording Student Fund Expenditures

The student fund checking account is maintained in a cash receipts and disbursement journal and the student fund reports are taken from fund account ledger cards. Cash expenditures requiring distribution to more than one fund account are recorded in the cash disbursement journal as an expenditure of only one fund. The bookkeeper then makes the distribution to the various funds when posting to the fund account ledger cards. No adjusting entry is prepared, and no approval obtained.

Accounting Manual

In view of the growth of the Center in past years, increase complexity of accounting functions, and in the interest of preventing disruption of operations in the event of turnover of accounting personnel, an accounting manual should be prepared. The manual should include, among other things, an up-dated chart of accounts, adequate explanation of account content, and appropriate descriptions of all accounting procedures and routines.

Purchases of Material

Our tests of sample expenditures disclosed that the purchase order procedures were not always followed and purchase orders were not always approved by the

proper official prior to purchase of materials.

Adjusting Journal Entries

Adjustments to the accounting records are not evidenced by a formal adjusting journal entry, by full explanation, and by adequate supporting data. Since journal entries are reflected in the accounting records just as receipts and disbursements, they should be adequately documented, and initialed by the preparer and the official approving them.

RECOMMENDATION

We recommend that the Center correct the aforementioned internal control weaknesses.

ACCOUNTING SYSTEM

The Center maintains it's records on the cash basis of accounting. This means they record cash receipts and cash disbursements. The accounting system operates without general ledger control accounts, with the only exception being the bookstore fund. The system is unable to accumulate totals by type of revenue or by type of expenditure such as salaries or capital expenditures. Also because it is a cash basis system, it omits any accounts receivable, accounts payable, and accrued expenditures and revenue. The accounting system prevents balancing the accounts and preparing complete financial statements. The Center's current cash basis system of accounting does not meet the need for uniform reporting for the Vocational Technical Centers. Due to the nature of the cash basis of accounting, recorded transactions may arbitrarily be included in one fiscal year as opposed to the next.

The Department of Community Affairs in their audit report of fiscal years 1974-1975 and 1975-1976, recommended that the Center install a double entry set of books that would include all activities of the Center. In an effort

to improve their accountability and comply with the recommendation the Center contracted to have developed and installed the Program Oriented Budgeting and Accounting System (POBAS) to be functional during the fiscal year 1978-1979. Because of a legislative decision to place all the Vocational Technical Center's on the Statewide Budgeting and Accounting System (SBAS), the POBAS system never became operational and no fiscal year 1978-1979 financial transactions were recorded on POBAS.

Because the Center is scheduled to begin processing all financial transactions on the Statewide Budgeting and Accounting System for the fiscal year beginning July 1, 1980, we made no recommendation in this area.

PROPERTY MANAGEMENT STANDARDS

The Center does not have adequate system for controlling and safeguarding the Center's fixed assets. The Center's control over fixed assets consists of an inventory taken in June of 1978. This listing detailed the location, description, value data, and funding source for the acquisition. The inventory is not complete and is not a part of any comprehensive fixed asset accounting system. Later in the same year the Center began using a form provided by the Office of Public Instruction for reporting fixed assets, these forms required data similar to those already in use at the Center. These forms never became the basis for a comprehensive system for controlling and safeguarding of the Center's fixed assets.

The importance of having a complete and accurate accounting of fixed assets cannot be emphasized too strongly. Adequate accounting procedures and records for fixed assets are essential to the protective custody and effective safeguarding of such a large public investment. In addition to safeguarding of the public's investment, a good system of fixed assets is

accounting permits fixation of responsibility for custody and proper use of the fixed assets. Finally, of course, an accounting of fixed assets is a prerequisite to the preparation of satisfactory and complete financial reports. An annual financial report without complete and accurate fixed asset information does not meet the test of full disclosure, and to that extent is deficient.

RECOMMENDATION

To improve fixed asset accountability and ensure reliability of the records, we recommend that the Center develop a comprehensive fixed asset accounting system.

INVENTORY PROCEDURES

Because our contract to audit the Center was not let until March of 1980, we were not present to observe the June 30, 1979 inventory at the Center Bookstore. The Department of Community Affairs audit of the years ending June 30, 1975 and 1976 disclosed that the bookstore inventory was being written up to current value contrary to generally accepted accounting procedures. In January of 1980, other independent Certified Public Accountants reviewed the bookstore financial statements and reported that the bookstore inventory contained $6,233 of obsolete and unsalable inventory items. Specific problems encountered during their review included; inventory cards not kept current, books that didn't have inventory cards, pertinent inventory information missing on the cards, and selling prices unavailable.

We can only conclude that since similar problems are reported both prior to and shortly after our June 30, 1979 audit date that these same problems existed at June 30, 1979.

RECOMMENDATION

We recommend that the Center take action to correct the aforementioned inventory problems.

FUNDS NOT ON DEPOSIT WITH COUNTY TREASURER

The Center does not maintain all funds in the County Treasury. The Center has three local bank accounts. The use of these bank accounts is not in accordance with state law. Since the Center is scheduled to begin processing all financial transactions on the Statewide Budgeting and Accounting System for the fiscal year beginning July 1, 1980, we made no recommendation in this area.

ENTERPRISE FUNDS

An enterprise funds principle source of revenues are from sales and services to customers. From this view point,accounting for the Bookstore, the Computer Center, and the Food Seervice as enterprise funds is appropriate.

However, the single-entry cash-basis accounting system used by the Center is inadequate for properly reporting these funds as enterprises.

The accounting of all enterprise funds, like that for private, profit-making businesses, should be on an accrual basis. This means that revenues from enterprise operations are to be recorded in the books of account when earned, and expenses recorded when liabilities are created. The current system used by the Computer Center and The Food Service funds doesn't account for accounts receivable, accounts payable, fixed assets or other accounts necessary for accounting effectively for the financial position of an enterprise fund.

RECOMMENDATION

We recommend that the Center, upon implimention of the Statewide

Budgeting and Accounting System, pay close attention to the treatment of these enterprise funds. Ensuring that all expenses of these funds are carefully matched with the revenues which they generate.

FINANCIAL STATEMENTS

JUNKERMIER, CLARK, CAMPANELLA, STEVENS PC
Certified Public Accountants
430 Ryman Avenue, Missoula, Montana 59801, (406) 543-3135

Ward F. Junkermier
George L. Campanella
Jack G. Stevens
Bruno N. Pacini
Stone E. Paulson, Jr.
James M. McDonald
Robert H. Roullier
Rick A. Frost
Robert E. Nebel

OFFICES:
1300 Cedar Street
Helena, Montana 59601
(406) 442-6901

600 Central Plaza, Suite 208
Great Falls, Montana 59401
(406) 761-2820

The Legislative Audit Committee of the
Montana State Legislature

We have examined the Balance Sheets - Enterprise funds, Statements of Income and Fund Balance - Enterprise Funds, Statement of Revenues and Expenditures - Fund 21, and the combined Statement of Changes in Cash Balances - All Funds of the Missoula Vocational Technical Center for the year ended June 30, 1979. Our examination was made in accordance with generally accepted auditing standards and, accordingly, included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

Consistent with the cash basis of accounting, except for the Bookstore, the Missoula Vocational Technical Center did not prepare a Statement of Assets and Liabilities. As a result, the financial statements do not report accounts receivable, accounts payable, accruals, fixed assets, and long-term liabilities. Accordingly, the statements do not present financial position and results of operations in conformity with generally accepted accounting principles.

In our opinion, the financial statements referred to above present fairly the cash balances by fund as of June 30, 1979, and the cash collected and disbursements paid during the year then ended on a basis consistent with that of the preceding year.

The accompanying supplemental schedule presented on page 15 is not necessary for a fair presentation of the funancial statements, but is presented as supplemental information. This information has been subjected to the audit procedures applied in examination of the basic financial statements and are, in our opinion, fairly stated in all material respects.

Junkermier, Clark, Campanella, Stevens, P.C.

Missoula, Montana
July 18, 1980

MISSOULA VOCATIONAL TECHNICAL CENTER
ENTERPRISE FUNDS
BALANCE SHEET

June 30, 1979

	Bookstore	Computer Center	Food Service
ASSETS			
Cash on hand	$ 150	$ -	$ -
Cash on deposit	628	18,311	9,855
Accounts receivable	1,565	-	-
Inventory	31,678	-	-
Equipment	1,582	-	-
Allowance for depreciation	(1,082)	-	-
Total Assets	$ 34,521	$ 18,311	$ 9,855
LIABILITIES AND FUND BALANCE			
Accounts payable	$ (428)	$ -	$ -
Fund balance	34,949	18,311	9,855
Total Liabilities and Fund Balance	$ 34,521	$ 18,311	$ 9,855

The accompanying accountants' report and the notes are an integral part of the financial statements.

MISSOULA VOCATIONAL TECHNICAL CENTER
ENTERPRISE FUNDS
STATEMENT OF INCOME AND FUND BALANCE

For the Year Ended June 30, 1979

	Bookstore	Computer Center	Food Service
SALES	$100,020	$208,268	$31,104
COST OF SALES	92,730	118,427	12,881
GROSS PROFIT	7,290	89,841	18,223
OPERATING EXPENSES			
Salaries	13,848	61,434	9,754
Payroll taxes	-	1,637	1,846
Travel	240	431	1,275
Repairs	-	4,065	5,270
Supplies	584	10,463	3,448
Freight	246	59	-
Bad debts	236	-	-
Depreciation	100	-	-
Miscellaneous	956	3,934	5,723
	16,210	82,023	27,316
NET INCOME (LOSS)	(8,920)	7,818	(9,093)
BEGINNING FUND BALANCE July 1, 1978	43,869	10,493	18,948
ENDING FUND BALANCE June 30, 1979	$ 34,949	$ 18,311	$ 9,855

The accompanying accountants' report and the notes are an integral part of the financial statements.

MISSOULA VOCATIONAL TECHNICAL CENTER
OPERATING FUND - FUND 21
STATEMENT OF REVENUES AND EXPENDITURES

For the Fiscal Year Ended June 30, 1979

REVENUES:			
Student fees		$ 60,840	
County property tax:			
Current		99,233	
Delinquent		8,313	
State and federal financing		1,252,124	
Prior year cash balance reappropriated		9,899	
TOTAL CASH AVAILABLE			$1,430,409
EXPENDITURES:			
Administration:			
Salaries	$ 88,508		
Travel	2,516		
Other	10,592	101,616	
Resource center			
Salaries	13,401		
Supplies	6,484		
Other	2,413	22,298	
Student services			
Salaries	86,699		
Travel	1,740		
Other	12,256	100,695	
Plant Operation			
Salaries	56,704		
Utilities	84,933		
Other	18,574	160,211	
Instruction:			
Salaries	673,586		
Travel	1,542		
Other	177,993	853,121	
Other current charges			
Social Security	53,618		
Teacher's retirement	47,925		
Public Employee's retirement	9,722		
Insurance	75,327	186,592	
Capital Outlay		5,814	
TOTAL CASH EXPENDITURES			1,430,347
REVENUES IN EXCESS OF EXPENDITURES			62
BEGINNING CASH BALANCE July 1, 1978			9,899
ENDING CASH BALANCE June 30, 1979			$ 9,961

The accompanying accountants' report and the notes are an integral part of the financial statements.

MISSOULA VOCATIONAL TECHNICAL CENTER
COMBINED STATEMENT OF CHANGES IN CASH BALANCES
ALL FUNDS

For the Fiscal Year Ended June 30, 1979

	Balance July 1, 1978	Receipts	Disbursements	Balance June 30, 1979
OPERATING FUND - Fund 21	$ 9,899	$1,430,409	$1,430,347	$ 9,961
ENTERPRISE FUNDS:				
Bookstore	9,675	98,819	107,866	628
Food Service	18,948	31,104	40,197	9,855
Computer Center	10,493	208,268	200,450	18,311
STUDENT ACTIVITY FUND:				
Administrative assistance	(2,621)	8,847	11,483	(5,257)
Bureau of Indian Affairs	203	6,119	6,176	146
Scholorships	962	2,375	2,303	1,034
Vocational Rehabilitation	393	6,358	7,722	(971)
Work Incentive Program	815	1,478	994	1,299
Miscellaneous	180	710	654	236
Application fee	1,090	1,740	-	2,830
College Work Study Payroll	13,699	20,412	40,876	(6,765)
Board of Public Instruction Fees	3,170	66,680	62,420	7,430
Building Use	1,049	35	-	1,084
Contingency	(2,159)	17,897	11,994	3,744
Maintenance and Service	358	-	358	-
BEOG	(13,221)	167,306	149,956	4,129
SEOG	2,740	10,075	12,225	590
Insurance	738	372	1,080	30
Laundry	(457)	3,054	2,192	405
Tuition - out of state	1,500	1,350	742	2,108
Prepayment	2,070	1,050	360	2,760
Resource Center	544	431	362	613
State Student Incentive Grant	10	4,620	2,410	2,220
Associated Students	47	-	-	47
DECA	828	-	202	626
OEA	(386)	1,699	852	461
Student activities	94	126	116	104
Vending machines	589	1,119	1,500	208
Veterans Cost Inst. Program	169	-	169	-
Welding	546	689	1,033	202
HEO Equipment	-	250,709	250,669	40
GED Testing	3,266	1,453	2,718	2,001
Title IIA	1,201	3,780	3,568	1,413
Emergency Training	-	14,169	13,569	600
Total - All Funds	$66,432	$2,363,253	$2,367,563	$62,122

BALANCES CLASSIFIED BY DEPOSITORY:	
Missoula County Treasurer - Fund 21	9,961
Missoula County Treasuer - Miscellaneous Fund	4,014
Bookstore Bank account	628
Food Service Bank account	9,855
Student Activity Bank account	37,664
	$62,122

The accompanying accountants' report and the notes are an integral part of the financial statements.

MISSOULA VOCATIONAL TECHNICAL CENTER
CONTACT HOURS AND FTE DATE

Fiscal Year 1979

QUARTER	CONTACT HOURS	FTE
Summer 78	36,961	145
Fall 78	138,402	554
Winter 78	126,903	508
Spring 79	126,682	507
Total Contact Hours	428,948	
Annual FTE		572

The accompanying accountants' report and the notes are an integral part of the financial statements.

MISSOULA VOCATIONAL TECHNICAL CENTER

NOTES TO THE FINANCIAL STATEMENTS

Fiscal Year Ended June 30, 1979

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The financial statements are prepared on the cash basis of accounting except for the Bookstore Enterprise Fund, which is on an accrual basis. The cash basis of accounting records expenditures when paid and revenue when received. Cash basis statements do not recognize assets other than cash and do not account for liabilities.

Description of Funds

Operating Fund - Fund 21 accounts for the Center's state appropriations, local mill levy, and student fees. It accounts for the budgeted expenditures for the Center's operation.

Enterprise Funds - Accounts for the operation of the Bookstore, food service and computer operation which realizes revenues from providing administrative and instructional data processing to the Missoula County High School, School District One, and transferes from Fund 21.

Student Activity Fund - Included in this fund are monies collected from students for liability insurance and uniform laundry, proceeds from the sale of scrap metal and equipment, proceeds from renting facilities, proceeds from GED testing, funds held for student organizations, funds from various federal grants and programs.

General Fixed Assets

The financial statements do not reflect the cost of general fixed

assets. General fixed assets purchased are recorded as expenditures in the various funds at the time of purchase. Also, there are no accounting controls for the general fixed asset group of accounts. Depreciation is not provided on general fixed assets.

2. INTERFUND TRANSFERS

The Center's accounting system does not segregate transfers from other transactions. Transfers between funds are recorded as receipts to the receiving fund and disbursements to the transferring fund.

3. RETIREMENT PLANS

The Center's employees are covered by Public Employee's Retirement System (PERS). Teacher's Retirement System (TRS), and Social Security (FICA).

4. LEASES

Lease rentals are recorded as expenditures over the lease term as they become payable. Commitments under lease agreements, classified as operating leases, provide for the following minimum payments:

1980	$113,642
1981	$113,642
1982	$113,642
1983	$113,642

AGENCY REPLY

CENTER RESPONSE TO RECOMMENDATIONS

INTRODUCTION

The Center Administration is in concurrence with the majority of the auditor's findings and recommendations. On July 1, 1980, the Center adopted the Statewide Budgeting and Accounting System (SBAS). The adoption of SBAS resolved many of the troublesome problems which were addressed in the audit. Others were solved through a reorganization of the Center's Business Office, and an attempt will be made to address the remainder during the current fiscal year. The following are responses to specific recommendations.

INTERNAL CONTROL

A reorganization of the Center's Business Office, accomplished in fiscal 1980, has provided for a separation of duties in the accounting for and physical control of the Center's cash. The Cashier now collects and deposits all cash, while the Bookkeeper is responsible for recording receipts and reconciling bank accounts.

Deposits are made on a daily basis and are recorded on SBAS in a timely manner. SBAS is a modified accrual system of accounting which will provide accurate year-end financial data.

The student fund checking account has been closed. All student funds are now deposited in the State Treasury and are accounted for on SBAS.

An accounting manual has been developed for SBAS. Some specific procedures have been developed for the Center's

Business Office, and others will be developed during the current fiscal year.

Purchase orders are required for all purchases except those which are of an emergency nature or those which are made as a result of routine deliveries. Emergency purchases are generally those which are as a result of failure to the mechanical systems of the Center's facilities. Routine deliveries are those which are required for replenishing items such as gas, diesel fuel, and perishable items for the Center's Food Service program.

ACCOUNTING SYSTEM

The Center is now processing all financial transactions through SBAS on a modified accrual basis. Accounts receivable and accounts payable systems have been developed.

PROPERTY MANAGEMENT STANDARDS

We concur with the auditor's finding and recommendation relative to property management standards. The present system recommended by the Office of Public Instruction is neither efficient nor comprehensive. An attempt will be made during the current fiscal year to develop an efficient and comprehensive property management system.

INVENTORY PROCEDURES

Physical inventories of all merchandise are now taken on June 30 of each year in both the Bookstore and Snack Bar. The inventories are valued at cost on the First-In-First-Out (FIFO) basis.

FUNDS NOT ON DEPOSIT WITH COUNTY TREASURER

As mentioned in the auditor's comments, this item is now moot. Center funds, with the exception of an approved revolving fund and change funds are on deposit with the State Treasury. There is, however, some question relative to the inference that prior practice was not in accordance with the State law. Center personnel had made attempts to establish a depository with the Missoula County Treasurer for enterprise activities and student funds and were told the County Treasurer could not make provision to accept these funds. Center personnel were left with no alternative other than to deposit the funds in local bank accounts.

ENTERPRISE FUNDS

All enterprise funds are now processed through SBAS. The modified accrual system provided by SBAS will be utilized.